

## MINUTES OF THE BOARD OF SUPERVISORS COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer Clerk of the Board of Supervisors 383 Kenneth Hahn Hall of Administration Los Angeles, California 90012

Chief Administrative Officer

At its meeting held August 10, 2004, the Board took the following action:

9 Supervisor Knabe made the following statement:

"This year's State budget was part of a larger series of agreements with local governments. One result is the placement of Proposition 1A on the November 2004 ballot. Proposition 1A is a compromise negotiated by the Governor, legislative leaders and representatives of local government. It will ask the voters to approve a constitutional amendment that will provide fiscal flexibility for the State in times of fiscal crisis while assuring revenue stability for local governments and protecting essential services.

"Proposition 1A creates a fiscal partnership between the State and local governments. It will ensure that when local funds are needed to help the State to cope with a fiscal crisis, these funds will be repaid to local governments within a specified time. The title and summary prepared for Proposition 1A are very clear in this regard. The initiative:

'Protects local funding for public safety, health, libraries, parks, and other locally delivered services. Prohibits the State from reducing local governments' property tax proceeds. Allows the provisions to be suspended only if the Governor declares a fiscal necessity and two-thirds of the Legislature approves the suspension. Suspended funds must be repaid within three years. Also requires local sales tax revenues to remain with local government and be spent for local purposes. Requires the State to fund legislative mandates on local governments or suspend their operation."

(Continued on Page 2)

## 9 (Continued)

Therefore, on motion of Supervisor Knabe, seconded by Supervisor Burke, unanimously carried, the Board went on record in support of, and agreed to actively work for passage of Proposition 1A, an initiative that:

"Protects local funding for public safety, health, libraries, parks and other locally delivered services; prohibits the State from reducing local governments' property tax proceeds; allows the provisions to be suspended only if the Governor declares a fiscal necessity and two-thirds of the Legislature approves the suspension, with suspended funds to be repaid within three years; requires local sales tax revenues to remain with local government and be spent for local purposes; and requires the State to fund legislative mandates on local governments or suspend their operation."

05081004\_9

Copies distributed: Each Supervisor County Counsel